

## Fast Answers

### PIPE Offerings

“PIPE” stands for “private investment in public equity.” In a PIPE offering, investors commit to purchase a certain number of restricted shares from a company at a specified price. The company agrees, in turn, to file a resale registration statement so that the investors can resell the shares to the public. To the extent that they increase the supply of a company’s stock in the market, PIPE offerings can potentially dilute the value of existing shares.

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